

Message Text

UNCLASSIFIED

PAGE 01 STOCKH 01204 181626Z

ACTION EUR-12

INFO OCT-01 EA-09 ISO-00 AGRE-00 CEA-01 CIAE-00
COME-00 DODE-00 EB-08 FRB-01 H-02 INR-07 INT-05
L-03 LAB-04 NSAE-00 NSC-05 PA-02 AID-05 SS-15
STR-04 ITC-01 TRSE-00 USIA-15 PRS-01 SP-02 OMB-01
FEA-01 DOTE-00 FMC-02 SAL-01 CG-00 DLOS-06 OES-06
/120 W

-----190853Z 112569 /20

R 181400Z MAR 77

FM AMEMBASSY STOCKHOLM

TO SECSTATE WASHDC 0084

INFO AMEMBASSY LONDON

AMEMBASSY BRUSSELS

AMEMBASSY COPENHAGEN

AMEMBASSY HELSINKI

AMEMBASSY ATHENS

AMEMBASSY ROME

AMEMBASSY TOKYO

AMEMBASSY THE HAGUE

AMEMBASSY OSLO

AMEMBASSY PARIS

AMEMBASSY BONN

USMISSION EC BRUSSELS UNN

USMISSION OECD PARIS UNN

AMCONSUL HAMBURG

UNCLAS STOCKHOLM 1204

E.O. 11652: N/A

TAGS: EWWT, SW

SUBJECT: SWEDISH SHIPOWNERS SPOKESMAN COMMENTS ON PROPOSED OIL CARGO
PREFERENCES LEGISLATION

REF: STATE 49149

1. SWEDISH PRESS ARTICLE OF MARCH 18 REPORTS VISIT OF DEPUTY

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 STOCKH 01204 181626Z

CHAIRMAN OF SWEDISH SHIPOWNERS' ASSOCIATION, KRISTIAN VON
SYDOW, TO WASHINGTON RECENTLY FOR CONSULTATION WITH HOUSE AND
SENATE SUBCOMMITTEES ON SHIPPING ON BEHALF OF EUROPEAN SHIP-
OWNER ASSOCIATIONS.

2. ARTICLE NOTES THAT DRAFT LEGISLATION NOW BEFORE CONGRESS
PROPOSES THAT 20 PERCENT OF US OIL IMPORTS ARE TO BE CARRIED

IN TANKERS FLYING US FLAG FROM MID-1977, INCREASING TO 30 PERCENT IN TWO STAGES BY 1980.

3. VON SYDOW FEARS, SAYS ARTICLE, THAT HOUSE WILL APPROVE LEGISLATION BY LARGE MAJORITY, WHILE SENATE'S ATTITUDE IS NOT AS CLEAR. IT IS NOTED THAT QUESTION OF CARGO PREFERENCES HAS BEEN BROUGHT UP ON SEVERAL OCCASIONS IN RECENT YEARS AND WAS VETOED BY PRESIDENT FORD AT ELEVENTH HOUR IN 1974. "THIS TIME," ARTICLE CONTINUES, "PRESIDENT JIMMY CARTER HAS MADE CERTAIN PROMISES DURING HIS ELECTION CAMPAIGN, WHICH RECEIVED CONSIDERABLE CONTRIBUTIONS FROM SEAMEN'S UNION ORGANIZATIONS," WHICH IN THIS MATTER CONSTITUTE "THE STRONGEST PRESSURE GROUP IN WASHINGTON."

4. VON SYDOW IS QUOTED AS SAYING: "THE WHOLE IDEA IS ABSURD. TODAY, THE US OWNS A TANKER FLEET OF ABOUT 15 MILLION TONS D.W. AT THE SAME TIME, 65 MILLION TONS OF AMERICAN-OWNED TANKERS ARE SAILING UNDER OTHER FLAGS -- ABOUT 19 MILLION TONS UNDER THE FLAGS OF EUROPEAN COUNTRIES. THIS MEANS THAT AMERICAN INTERESTS OWN ABOUT ONE-QUARTER OF THE WORLD'S ENTIRE TANKER FLEET. THE CONSEQUENCES OF A NEW LAW MIGHT NOT BE SO EXTENSIVE IF IT WERE JUST A QUESTION OF REPATRIATING A PART OF THE AMERICAN FLEET NOW FLYING FOREIGN FLAGS. SOME 50 PERCENT OF US OIL IMPORTS ARE, DE FACTO, ALREADY BEING CARRIED ON AMERICAN-OWNED KEELS. BUT THE AMERICAN SHIPOWNERS ARE UNABLE TO REPATRIATE THEIR VESSELS AND SAIL THEM UNDER THE AMERICAN FLAG. FOR UNCLASSIFIED

UNCLASSIFIED

PAGE 03 STOCKH 01204 181626Z

THEM TO BE ABLE TO DO THIS, THE SHIPS MUST HAVE BEEN BUILT IN THE UNITED STATES, AND IT IS ONLY IN THE EXCEPTIONAL CASE THAT THIS IS SO. IN ORDER TO INCREASE THE IMPORT SHARE FROM 4 TO 30 PERCENT UNDER AMERICAN FLAGS, IT WILL THEREFORE BE NECESSARY TO BUILD A LARGE NUMBER OF VESSELS."

5. VON SYDOW CONSIDERS THAT SOME 25 MILLION TONS D.W. WOULD HAVE TO BE CONSTRUCTED -- AT THE SAME TIME AS THERE IS EXCESS CAPACITY OF 40 MILLION TONS IN WORLD. US SHIPYARDS DO NOT HAVE THE CAPACITY TODAY TO BUILD MORE THAN TWO MILLION TONS A YEAR AND WOULD THEREFORE NEED TO TRIPLE CAPACITY, ARTICLE NOTES.

6. VON SYDOW IS NOT VERY OPTIMISTIC ABOUT OUTCOME AFTER HIS VISIT TO WASHINGTON: "ALTHOUGH IT IS POSSIBLE THAT SOUND ECONOMIC CONSIDERATIONS AND AN IDEA OF THE INTERNATIONAL CONSEQUENCES MAY DOMINATE WITHIN THE ADMINISTRATION, THINGS ARE DIFFERENT IN THE CONGRESS."

7. THE CONGRESSMEN VON SYDOW TALKED WITH DID NOT HAVE
MUCH OBJECTION TO LOGIC OF EUROPEAN AND JAPANESE
APPROACHES, ARTICLE CONCLUDES, BUT GUIDING STAR FOR
THEM MUST BE MORE JOBS FOR US CITIZENS.
SMITH

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PRESS COMMENTS, PETROLEUM INDUSTRY, VISITS, LEGISLATIVE BILLS, IMPORT CONTROLS
Control Number: n/a
Copy: SINGLE
Sent Date: 18-Mar-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01-Jan-1960 12:00:00 am
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977STOCKH01204
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770094-0841
Format: TEL
From: STOCKHOLM
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770343/aaaablqh.tel
Line Count: 122
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 8ca45cb5-c288-dd11-92da-001cc4696bcc
Office: ACTION EUR
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: 77 STATE 49149
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 14-Oct-2004 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3061212
Secure: OPEN
Status: NATIVE
Subject: SWEDISH SHIPOWNERS SPOKESMAN COMMENTS ON PROPOSED OIL CARGO PREFERENCES LEGISLATION
TAGS: EWWT, SW, (VON SYDOW, KRISTIAN)
To: STATE
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/8ca45cb5-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009